



# House of Representatives

General Assembly

**File No. 390**

*January Session, 2015*

House Joint Resolution No. 63

*House of Representatives, April 1, 2015*

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the joint resolution ought to be adopted.

## ***RESOLUTION PROPOSING A CONSTITUTIONAL AMENDMENT TO PROTECT TRANSPORTATION FUNDS.***

Resolved by this Assembly:

1 Section 1. That the following be proposed as an amendment to the  
2 Constitution of the State, which, when approved and adopted in the  
3 manner provided by the Constitution, shall, to all intents and  
4 purposes, become a part thereof:

5 Article third of the Constitution is amended by adding section 19 as  
6 follows:

7 Sec. 19. The Special Transportation Fund shall remain a perpetual  
8 fund. The general assembly shall direct the resources of said fund  
9 solely for transportation purposes, including the payment of debt  
10 service on obligations of the state incurred for transportation purposes.  
11 All sources of funds, moneys and receipts of the state required to be  
12 credited, deposited or transferred to said fund by state law on or after  
13 the effective date of this amendment shall continue to be credited,

14 deposited or transferred to the Special Transportation Fund, so long as  
15 such sources are collected or received by the state, or any officer  
16 thereof, and the general assembly shall enact no law authorizing the  
17 resources of said fund to be expended other than for transportation  
18 purposes.

19       RESOLVED: That the foregoing proposed amendment to the  
20 Constitution be continued to the next session of the General Assembly  
21 elected at the general election to be held on November 8, 2016, and  
22 published with the laws passed at the present session, or be presented  
23 to the electors at the general election to be held on November 8, 2016,  
24 whichever the case may be, according to article sixth of the  
25 amendments to the Constitution. The designation of said proposed  
26 amendment to be used on the ballots at such election shall be "Shall the  
27 Constitution of the State be amended to ensure (1) that all money  
28 contained in the Special Transportation Fund be used solely for  
29 transportation purposes, including the payment of debts of the state  
30 incurred for transportation purposes, and (2) that all sources of funds  
31 required to be deposited in the Special Transportation Fund continue  
32 to be deposited in said fund?"

**TRA**       *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Secretary of the State	GF - Cost	None	5,000

Note: GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

This resolution proposes an amendment to the State Constitution to restrict the use of funds in the Special Transportation Fund and require continued deposits into said fund. The Secretary of the State is anticipated to incur a cost of \$5,000 in FY 17 (for the November 2016 election) for providing posters with the proposed constitutional amendment question and explanation to each polling place in every municipality. The FY 17 cost may be shifted into FY 19 pursuant to the requirements of the constitutional amendment process.

This cost will cover the printing and mailing of the posters. Since all materials required for placing a constitutional amendment on the ballot are supplied by the State, and the vote will occur in a regularly scheduled statewide election, no costs will be incurred by municipalities.

#### **The Out Years**

The cost identified above is one-time. However, the FY 17 cost may be shifted into FY 19 pursuant to the requirements of the constitutional amendment process, as noted above.

**OLR Bill Analysis****HJ 63*****RESOLUTION PROPOSING A CONSTITUTIONAL AMENDMENT TO PROTECT TRANSPORTATION FUNDS.*****SUMMARY:**

This resolution proposes a constitutional amendment that:

1. maintains the Special Transportation Fund (STF) as a perpetual fund;
2. requires the legislature to direct the STF's resources only for transportation purposes, including paying debt service on state obligations incurred for transportation purposes;
3. requires, after the amendment's effective date, all sources of funds the law requires to be placed in the STF to continue to be placed there as long as the state collects or receives them; and
4. prohibits the legislature from passing a law allowing STF resources to be used for any purpose other than transportation.

The ballot designation to be used when the amendment is presented at the general election is: "Shall the Constitution of the State be amended to ensure (1) that all money contained in the Special Transportation Fund be used solely for transportation purposes, including the payment of debts of the state incurred for transportation purposes, and (2) that all sources of funds required to be deposited in the Special Transportation Fund continue to be deposited in said fund?"

**EFFECTIVE DATE:** If the resolution passes by at least three-fourths of the membership of each house of the General Assembly, it will be placed on the 2016 general election ballot. If it passes by a majority of

the membership of each house but less than three-fourths, it will be referred to the 2017 session of the legislature. If it passes in that session by a majority of each house, it will appear on the 2018 general election ballot. If a majority of those voting in any one of these general elections approves the amendment, it will become part of the state constitution.

## **BACKGROUND**

### ***Special Transportation Fund***

By law, the STF pays for state highway and public transportation projects. It is supported by a number of revenue streams, including the motor fuels tax, motor carrier road tax, petroleum products gross earnings tax, certain motor vehicle receipts and fees, (e.g. driver's license fees), and surcharges on motor vehicle related fines and penalties (CGS § 13-59 et seq.).

By law, money in the fund must be used first for debt service on special tax obligation bonds and to pay for certain transportation projects. Remaining funds must be spent to pay general obligation bonds issued for transportation projects and budget appropriations for the departments of transportation and motor vehicles (CGS § 13b-69).

### ***Related Bills and Resolutions***

HJ 62, SB 937, and HB 6857, favorably reported by the Transportation Committee, similarly require that money the law requires be placed in the STF continue to be placed there, and prohibit the legislature from using STF money for purposes not related to transportation. HJ 62, as does this bill, proposes a constitutional amendment. SB 937 and HB 6857 propose statutory changes.

## **COMMITTEE ACTION**

Transportation Committee

Joint Favorable

Yea 18      Nay 13      (03/18/2015)